



AGREEMENT

between

the Union of the Electricity Industry – EURELECTRIC
and
the Electric Power Council of the Commonwealth of Independent States

Preamble

The Union of the Electricity Industry – EURELECTRIC, hereafter called EURELECTRIC, and the Electric Power Council of the Commonwealth of Independent States, hereafter referred to as CIS EPC, and together called the Parties, have expressed the will to continue to strengthen long-term interrelations in the power sector and thus to contribute to the development of a pan-European and Eurasian electricity market, in mutual respect of each other's identity and mission.

Whereas

EURELECTRIC's Membership, directing bodies, expertise structure and activities are such that EURELECTRIC is fully representative of the European Electricity Industry.

EURELECTRIC concentrates on strategic expertise and on representation in public affairs for the European Electricity Industry.

CIS EPC is an intergovernmental body and officially represents CIS electricity industry.

CIS EPC concentrates on coordination of joint activities of the CIS countries in the electricity field aimed at providing of the sustainable and reliable electricity supply based on efficient functioning of the CIS power systems.

Having regard to the main principles of the European Energy Charter signed in the Hague on 17 December 1991 and the Treaty to the European Energy Charter of 17 December 1994;

Having regard to the "Agreement concerning the coordination of the interstate activities in the field of electric power industry of the Commonwealth of Independent States" signed by the Heads of Governments of the CIS countries in Minsk on 14 February 1992;

Having regard to the EURELECTRIC Statutes of 7 December 1999 and its Standing Orders;

Having regard to the CIS EPC Status and Standing Orders of September 1998 and in July 2000;

Having regard to the General Agreement on Co-operation in the Field of Electric Power between EURELECTRIC and CIS EPC of 18 November 1993 and extended for another five years in March 1998;

Having regard to the Minutes of the EURELECTRIC and CIS EPC Presidents' meetings in Warsaw (20 March 2002), in Brussels (21 November 2002) and in Prague (23 June 2003).

**Parties agree that:
Aims, objectives and forms of co-operation**

- 1.1. The Agreement aims to enhance mutual dialogue on energy market development in the respective regions, in particular the technical, market and environmental dimensions of such development.
- 1.2. The Parties support the strengthening of long-term interrelations in the power sector in order to contribute to pan-European and Eurasian energy security and mutual co-operation. The Parties recognize the need to understand better the mutual long-term objectives in relation to power infrastructure development, to operational reliability, to the creation of competitive conditions to environmental objectives and to other challenges, in order to develop electricity market cooperation on Eurasian Continent. The Parties agree on the necessity of taking into account both technological, market and environmental dimensions when developing power market co-operation.
- 1.3. The Parties recognize that certain aspects of market development will not be handled by EURELECTRIC, but by other association(s) in view of agreements concluded between EURELECTRIC and these association(s). This relates in particular to the technical and operational aspects of the European synchronous network, which are handled by the Union for Co-ordination of Transmission of Electricity (UCTE).
- 1.4. The Parties encourage the active development of the dialogue between network associations involved in order to identify the best solutions and necessary measures to promote interconnection development. The Parties will coordinate actions where possible and appropriate in promoting this dialogue in the political and energy spheres.
- 1.5. The Parties will promote their co-operation based on exchange of relevant information, expertise, viewpoints, joint meetings and conferences, contacts between experts and specialists and any other joint or coordinated actions when appropriate.
- 1.6. The Agreement does not prevent the CIS member-states from carrying out independent consultations and activities with EURELECTRIC on issues of common interest, nor members of EURELECTRIC from carrying out consultations and activities with the CIS EPC and CIS member states.

2. Principles and forms of co-operation

- 2.1 Co-operation is based on the following main principles:
 - Open exchange of information covered by this Agreement, except for commercially classified information and for information considered to be for internal purposes only by one of the Parties,
 - Political non-interference in the activities of any CIS member-state and EU country,
 - Ensuring transparency in the implementation of this Agreement.
- 2.2 Forms of co-operation can be identified as following:
 - carry out regular meetings, in principle once a year at the level of the Presidents of both associations, to assess progress and define further goals. The meetings should take place alternatively in one of the countries of full membership of EURELECTRIC and country – full member of the CIS EPC;
 - undertake regular information exchange on relevant proposals and documents affecting the electricity market development in both regions;
 - coordinate policy making initiatives when appropriate;
 - contribute to reports or prepare joint reports;
 - regularly update the joint statistical reference book;
 - establish joint (ad-hoc) groups when appropriate;
 - organize common events when appropriate;
 - make cross-links(s) to Websites.

Any other forms of co-operation might be considered by the Parties.

- 2.3 The Secretariats of both Parties will maintain regular contacts in order to monitor and assess achievements and to recommend further initiatives in the context of the Agreement.

3. Financing

- 3.1 As a general rule, this Agreement between EURELECTRIC and CIS EPC – which are non-profit making organizations – should not result in commercial contracts and therefore there should not be any payments of any kind between the Parties as such. This applies to:

- The exchange of information and statistical data;
- Technical assistance and expertise provided by both organizations;
- Studies resulting from joint work;
- Other expenses related to joint work, such as staff support, secretarial work, organization of meetings etc. Each Party is responsible for covering costs related to its part of the work.

- 3.2 The Parties remain free to conclude any bilateral or multilateral commercial agreements with any other Party.

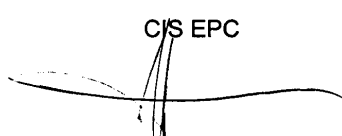
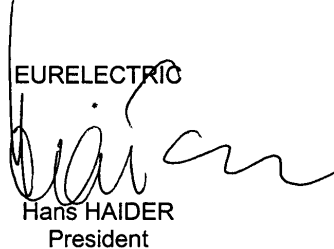
4. Validity of the Agreement

- 4.1 The Agreement is of indeterminate duration. It can be reviewed at the request of one of the Parties.
- 4.2 It can be terminated by either of the Parties after six months notice has been given.
- 4.3 The Agreement comes into force from the moment of its signing. The General Agreement on co-operation in the field of electric power between the EURELECTRIC and the Executive Committee of CIS EPC of 18 November 1993 becomes invalid from the moment of signature of this Agreement.

5. Official languages of the Agreement

- 5.1 The Agreement is signed in both the English and Russian languages. Both versions have the same power.
- 5.2 Joint official events shall be carried out in both the English and Russian languages, while English will be the working language for correspondence.

On behalf of:

<p>CIS EPC</p>  <p>Anatoly CHUBAIS President</p>	<p>EURELECTRIC</p>  <p>Hans HAIDER President</p>
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Brussels, 13 November 2003